

**TRANSPORTATION DEPARTMENT[761]**

**Adopted and Filed Emergency**

Pursuant to the authority of Iowa Code sections 307.12 and 307A.2, the Iowa Department of Transportation hereby adopts new Chapter 162, “Surface Transportation Block Grant Program,” Iowa Administrative Code.

The federal Surface Transportation Program was renamed the Surface Transportation Block Grant Program under the Fixing America’s Surface Transportation (FAST) Act. Because this program is now considered a federal block grant, Iowa Code section 8.41 requires that these funds be deposited into a special fund in the state treasury and then appropriated by the General Assembly to the Department. Therefore, during the past legislative session, 2016 Iowa Acts, Senate File 2320, section 4, amended 2015 Iowa Acts, chapter 130, to appropriate \$149,300,000 from the special fund in the state treasury to the Department for federal fiscal year (FFY) 2017. The dollar amount reflects the amount anticipated to be received from the federal government for FFY 2017 for the Surface Transportation Block Grant Program.

2016 Iowa Acts, Senate File 2320, section 4, requires the Department to expend the moneys appropriated as provided in 23 U.S.C. Section 133 and in conformance with rules adopted by the Department.

Pursuant to Iowa Code section 17A.4(3), the Department finds that notice and participation are unnecessary and impractical due to the immediate need to adopt this new chapter and to continue to timely obligate the funds. This new chapter implements the requirements of 2016 Iowa Acts, Senate File 2320, section 4, and allows the Department to administer the Surface Transportation Block Grant Program appropriations beginning on October 1, 2016.

In compliance with Iowa Code section 17A.4(3)“a,” the Administrative Rules Review Committee at its September 13, 2016, meeting reviewed the Department’s determination and the amendment and approved the emergency adoption.

Pursuant to Iowa Code section 17A.5(2)“b”(1)(b), the Department also finds that the normal effective date of this amendment, 35 days after publication, should be waived and the amendment made effective on October 1, 2016. This amendment confers a benefit on the public to ensure that moneys appropriated to the Department under the renamed Surface Transportation Block Grant Program are expended as provided in federal law and in compliance with 761—Chapter 162.

These rules are also published herein under Notice of Intended Action as **ARC 2750C** to allow for public comment.

These rules do not provide for waivers. Any person who believes that the person’s circumstances meet the statutory criteria for a waiver may petition the Department for a waiver under 761—Chapter 11.

After analysis and review of this rule making, no impact on jobs has been found.

These rules are intended to implement 2016 Iowa Acts, Senate File 2320, section 4.

These rules became effective October 1, 2016.

The following amendment is adopted.

Adopt the following **new** 761—Chapter 162:

CHAPTER 162

SURFACE TRANSPORTATION BLOCK GRANT PROGRAM

**761—162.1(86GA,SF2320) Purpose.** Federal authorization acts appropriate funds to states to support surface transportation investments. A portion of these funds are provided to the state of Iowa for the Surface Transportation Block Grant Program. The purpose of these rules is to establish requirements for the Surface Transportation Block Grant Program.

**761—162.2(86GA,SF2320) Contact information.** Information relating to this chapter may be obtained from the Office of Program Management, Iowa Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010; telephone (515)239-1661.

**761—162.3(86GA,SF2320) Source of funds.** The Surface Transportation Block Grant Program established in 23 U.S.C. Section 133 provides for the use of federal funds to preserve and improve the condition and performance of any federal-aid highway, bridge or tunnel project on any public road. Surface Transportation Block Grant funds may also be used on pedestrian and bicycle infrastructure and transit capital projects including intercity bus terminals.

**761—162.4(86GA,SF2320) Administration of funds.** Surface Transportation Block Grant funds are administered by the department and shall be made available for obligation throughout the state on a fair and equitable basis. The department, in consultation with city, county and local planning agency officials, through their representative organizations, shall allocate these funds to Iowa's transportation management areas, metropolitan planning organizations, regional planning affiliations, incorporated cities, counties and the department. Allocation of these funds shall be based upon a distribution methodology approved by the commission. The commission shall review and approve the distribution methodology upon passage of each federal authorization act. Funds allocated to cities and counties to support the Federal-Aid Highway Bridge Program shall be made in accordance with 761—Chapter 161. All allocations of the Surface Transportation Block Grant funds shall be made in accordance with the Federal Highway Administration's regulations and include the allocations of the Surface Transportation Program (STP) Set-Aside for transportation alternatives as established in 23 U.S.C. Section 133(h).

These rules are intended to implement 2016 Iowa Acts, Senate File 2320, section 4.

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